

Financing Public Education in Iowa



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Brief History of Iowa School Finance Legislation

Pre-1980

From the 1950s to early 1960s, school districts were funded through property taxes. In the mid-1960s, the Iowa General Assembly took steps to provide for general property tax replacements, equalization of the method of taxation of property for school purposes, and establishment of a method of allocation of state funds for aid to schools. The General Assembly also established agricultural land tax credits, personal property tax credits, and additional homestead tax credit for the aged as part of general property tax reform. Between 1970 and 1972, the 1967 law was modified to achieve the present type of foundation plan, which substantially increased the amount of state aid to school districts. The basic features included a uniform levy requirement, a state foundation base, a maximum on each budget, leveling up of low-spending districts, minimum state aid to each district, and budgeting on the number of students enrolled.

1980-1989

The 1980s included significant changes regarding school finance, including revisions in the calculation of allowable growth, moving funding for area education agency (AEA) special education support services from a budget to a per pupil basis, and permitting districts to levy for cash reserves (initially limited to 7.5 percent, but later the ceiling was removed). Budget guarantees were established at 100 percent for fiscal year (FY) 1983 and 1984, 102 percent beginning with FY 1986, and 101 percent beginning with FY 1990. Authority of the School Budget Review Committee (SBRC) was expanded to include granting of additional allowable growth for gifted and talented programs (1980), returning dropout programs (1983), and increased special education enrollments (1988) that had previously been addressed through a funding advance. Additional SBRC duties were added in 1989 that included implementation of the use of Generally Accepted Accounting Principles (GAAP) by districts and AEAs.

Additional supplementary weightings for non-English speaking students (0.2) and administrator sharing between districts (maximum cumulative weight of 25 pupils) were added in 1987; however, during the 1988 session, implementation of the weighting for non-English speaking students was delayed until FY 1990. The Educational Excellence Program was also established in 1987 (i.e., Phase I, II, and III).

In 1987, the existing School Foundation Aid formula (Iowa Code chapter 442) was repealed, effective June 30, 1991. In 1989, the finance plan was substantially modified with the enactment of a new finance chapter in the Code of Iowa: chapter 257. Modifications included establishing the uniform property tax levy rate of \$5.40 per thousand of taxable valuation, setting the foundation base at 83.5 percent of the regular program state cost per pupil (increasing by 0.25 percent per year up to 85 percent), increasing the minimum state aid from \$200 to \$300 per pupil, specifying that budget enrollments be based on the district headcount of the previous September, and implementing funding to address the needs of at-risk children. Additionally, Instructional Support and Education Improvement programs were established, and the Management Levy and the Physical Plant and Equipment Levy (PPEL), which replaced the Schoolhouse Levy, were authorized.

Legislation signed in 1989 provided for open enrollment of children between Iowa school districts.

1990-1999

The 1990 legislative session included a modification to funding provisions of the recently enacted open enrollment law. The school finance plan adopted during the 1987 legislative session was implemented in FY 1992. The 1990s included reductions in the standing appropriation for the Educational Excellence Program and for Instructional Support Program state aid. The cushion for enrollment decline and the state aid advances for increasing enrollments were eliminated, while School Improvement Technology and Early Intervention Block Grants were established.

1992 legislation included a requirement for school districts to provide educational services to children in psychiatric or medical institutions and to count these individuals in the school's basic enrollment. Additional weightings were added for children receiving private instruction from a licensed practitioner provided through a school district (0.6) and for children receiving dual enrollment (0.1).

The allowable growth language was rewritten in 1992, instituting by statute that the state percent of growth for a budget year (base year) shall be established within 30 days of the submission of the Governor's budget to the General Assembly. This language was modified in 1995, requiring the state percent of growth for subsequent budget years be set in the year preceding the base year, a year earlier than under prior law. Two years of allowable growth rates were set during the 1995 legislative session (FY 1996 and FY 1997) and the 1996 legislative session (FY 1998 and FY 1999).

Legislation enacted during this decade also included allowing for carryover of special education balances up to 10 percent (1994), establishing funds on a GAAP basis (1994), increasing the regular program foundation base from 83 to 87.5 percent (1996), and increasing the voter-approved Physical Plant and Equipment Levy from \$0.67 to \$1.34 per thousand of taxable value. In 1998, the School Infrastructure Funding Act allowed a local sales and services tax to be imposed by a county for school infrastructure purposes, subject to a vote of the people.

SBRC responsibilities were again expanded by authorizing districts to apply to the SBRC for additional allowable growth for a student's tuition amount if that student was not included in the district's enrollment count from the preceding year. The legislature also approved education license plates and provided funds from the sale of these plates be remitted to the SBRC to be used for transportation assistance.

2000-2009

Economic changes in Iowa during the early 2000s resulted in substantial reductions in state revenues, leading Governor Tom Vilsack to issue, on November 1, 2001, an Executive Order reducing all General Fund appropriations by 4.3 percent for the 2001-2002 year. The General Assembly also lowered the allowable growth rate for FY 2003 to 1 percent from the previously established 4 percent rate. On October 14, 2003, Governor Vilsack ordered a 2.5 percent reduction in FY 2004 appropriations; however, by the end of the fiscal year, state revenues were growing sufficiently such that the Governor reinstated a portion (10 percent) of this reduction.

State aid flowing to AEAs was reduced by \$7.5 million in FY 2002 and FY 2003, with several other reductions to state aid for AEAs enacted by the General Assembly throughout the decade. During the 2004 legislative session, the \$7.5 million reduction was made permanent and an additional \$10 million reduction was enacted for FY 2004 and for FY 2005. Additionally, AEAs were required to revert \$10

million of their beginning balances in FY 2004. For FY 2007, a reduction of \$5.25 million was implemented, followed by \$2.5 million reductions from FY 2008 through FY 2010.

Five other significant changes occurred during this decade: establishing a date for beginning phase out of the budget guarantee, increasing funding for categorical programs such as teacher quality/teacher compensation, establishing a local option sales and services tax for school infrastructure, providing state funding for school infrastructure, and reestablishing incentives for reorganization.

During the 2006 legislative session, an additional property tax adjustment aid was created to buy down additional levy rates for qualifying school districts that had the highest tax rates.

The 2008 legislative session was quite active. The General Assembly reduced supplementary weighting for Home School Assistance Program (HSAP) students from 0.6 to 0.3 beginning with FY 2009 and specified districts with expenditures that exceeded revenues could apply to the SBRC for modified allowable growth. The Senior Year Plus (SYP) Act was passed, which included an increase in supplementary weighting for district-to-community college vocational (career and technical education) courses from .48 to .70, and a weighting of .465 for liberal arts courses. The SYP Act also modified the weighting for regional academies, increasing the minimum weighting total to 15.0 and the maximum total to 30.0.

State categorical aid was converted to per pupil funding beginning with FY 2010, with per pupil amounts to increase by an allowable growth rate set annually starting in FY 2011. The allowable growth rate was also applied to the teacher salary supplement (consisting of the Student Achievement/Teacher Quality [SATQ] compensation and Educational Excellence Phase II), the professional development supplement, and the early intervention supplement.

The School Infrastructure Local Option (SILO) sales tax was eliminated and replaced by a state sales/use tax for school infrastructure at a rate of 1 percent. The legislation specified these funds be deposited in the Secure an Advanced Vision for Education (SAVE) Fund and that the funds be distributed on a per pupil basis similar to the SILO funds, effective July 1, 2009. Legislation also specified that funds remaining after the SAVE distribution be deposited in the Property Tax Equity and Relief (PTER) Fund and be designated to supplement property tax relief through the school aid formula.

The state (and nation) again experienced economic challenges in the latter part of the 2000s. On December 22, 2008, Governor Chet Culver issued Executive Order #10, specifying a 1.5 percent across-the-board reduction in state expenditures for the current fiscal year (FY 2009). An increased federal impact on school funding, as a result of the American Recovery and Reinvestment Act (ARRA) occurred during the 2009 legislative session. The General Assembly passed the FY 2010 Federal Education Block Grant Act, which appropriated \$40 million of ARRA Educational Stabilization Funds to be used in lieu of state school aid for FY 2009, \$202.5 million to be used in lieu of FY 2010 state school aid, \$2 million for professional development, and \$13.1 million for the Instructional Support Program (replacing the state portion of this funding for FY 2011).

The Educational Excellence Program was repealed effective FY 2011, and state appropriations were added to implement the Statewide Voluntary Preschool Program (SWVPP), beginning in FY 2010.

2010-present

Prior to the 2010 legislative session (October 8, 2009), in response to a significant decline in estimated state revenues, Governor Chet Culver issued Executive Order #19, which specified a 10 percent across-

the-board cut in state government spending for FY 2010. The General Assembly was unable to reach agreement regarding supplemental state aid (previously allowable growth) for FY 2012, leading to a default rate of zero (0) percent. Struggles to meet the legislative deadline for establishing supplemental state aid (previously allowable growth) have continued through the current (2015) legislative session.

Beginning in FY 2010, funding of categorical programs was moved to a per-pupil basis, and beginning in FY 2011, the per-pupil cost for these programs is increased by the categorical allowable growth rate set by the General Assembly. The 2010 legislative session also modified composition of the SBRC by converting the director of the Department of Education (Department) to an ex-officio, non-voting member of the SBRC and adding an additional Governor-appointed member.

The 2011 and 2012 legislative sessions included relatively few school finance changes. The most notable included a reduction in preschool formula weighting from 0.6 to 0.5, and two changes to the dropout prevention program: a modified allowable growth restriction and allowable expenditure increases.

During the 2013 session, an educational reform package was passed which added a property tax replacement payment structure, changed “allowable growth” references to “supplemental state aid” (effective FY 2015), established a statewide teacher leadership system (scheduled to move from a grant-based award to a categorical funding stream once fully implemented in FY 2018), established state supplemental assistance for highest-need schools to better support English language learners (ELL), special needs students, or students from low socioeconomic status backgrounds (effective FY 2015, though this provision has not been funded), expanded the allowable expenditures for preschool funding and clarified use of carryover balances (effective FY 2014), and extended the Early Intervention Block Grant program through FY 2018.

Allowable uses of the SAVE fund were expanded to include joint infrastructure projects between districts and community colleges for the purpose of offering shared or concurrent enrollment courses. Changes to eligibility for supplementary weighting also occurred, including adding an additional year of eligibility for students with limited English proficiency (LEP) and reauthorization and expansion of positions eligible for operational function sharing. Additionally, the sunset of whole grade sharing and reorganization incentives was extended from 2014 to 2019.

During the 2014 legislative session, the General Assembly eliminated the maximum age for use of the Management Levy for early retirement incentives, established a new English Language Literacy Grant program, and launched the Teacher Leadership Compensation (TLC) system.

The 2015 session included new funding allocated to implement the second year of the TLC system and continue the ELL Grant program, allowed additional items to be included in administrative costs for the SWVPP, expanded allowable uses of PPEL funds, modified allowable uses of funds for at-risk and returning dropout and dropout prevention programs, and added another allowable use of the Management Fund. Though not specifically a fiscal item, another significant change was establishing August 23 as the start date for public and accredited nonpublic schools.

The current decade has also seen continued reductions in state aid provided to AEAs. In addition to statutory reductions of \$7.5 million per fiscal year, the General Assembly reduced state aid by \$2.5 million for FY 2011, \$20 million each for FY 2012 and FY 2013, and \$15 million each for FY 2014 and FY 2015.

The Current School Aid Formula

The intent of the school aid formula is referenced in Iowa Code § 257.31(10) which, in reference to actions of the School Budget Review Committee, states the following:

“The committee shall take into account the intent of this chapter to equalize educational opportunity, to provide a good education for all the children of Iowa, to provide property tax relief, to decrease the percentage of school costs paid from property taxes, and to provide reasonable control of school costs.”

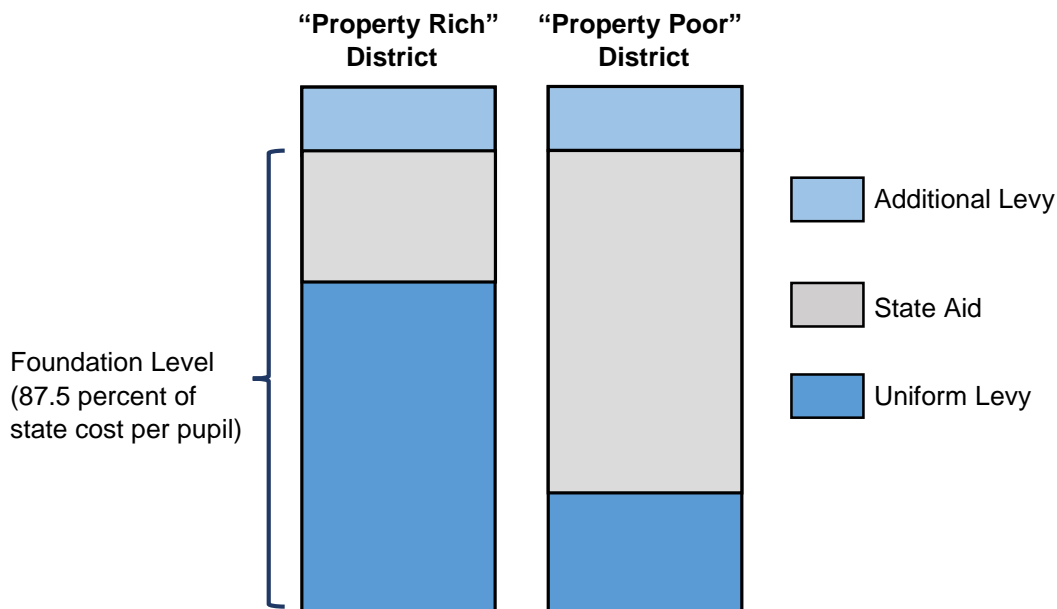
There are three primary funding components: uniform levy¹ (property tax), state foundation aid, and additional levy (property tax). The state’s finance formula determines the amount of state foundation aid each district receives and establishes the minimum and maximum district cost per pupil. The minimum district cost per pupil cannot be lower than the state cost per pupil, while the maximum cannot exceed 105 percent of this amount. Due to compaction over time, the maximum has gradually reduced to approximately 103 percent.

Established within Iowa Code, the uniform levy is \$5.40 per thousand of valuation. The amount generated from the uniform levy is combined with state foundation aid to reach the foundation level of 87.5 percent of the established state cost per pupil. Districts that are “property rich” (i.e., those with high property valuations per student) generate a higher percentage of the foundation level through property taxes than districts that are “property poor.” Conversely, districts that are “property poor” generate a higher percentage of the foundation level through state aid than those that are “property rich.”

The difference between the foundation level and state cost per pupil (i.e., the remaining 12.5 percent) is generated entirely from the additional local property tax levy.

¹ Per Iowa Code § 257.3, the uniform levy is \$5.40 per thousand of valuation.

Figure 1. Relationship of Funding Formula Components



General Concepts - Budget

Local school district funding is primarily determined by the number of students residing² within the district and the district's cost per pupil. A district's basic budget is calculated by multiplying a district cost per pupil amount times the weighted enrollment. A district's weighted enrollment is based upon the number of pupils in the district's certified enrollment one year prior to the budget year plus 1) a weighting for special education, 2) a supplementary weighting for sharing teachers, pupils, and operational functions, 3) students participating in an ELL program, 4) any reorganization incentives, and 5) at-risk formula supplemental weighting. The resulting enrollment used for budget purposes is referred to as the total weighted enrollment, which is multiplied times the district cost per pupil.

A district's cost per pupil amount is based upon the historical spending in that district, plus a per pupil growth amount established each year. In addition to each district's cost per pupil, a "state cost" per pupil is used to calculate the annual growth amount (i.e., supplemental state aid), provide the minimum amount per pupil for each district, and establish the state foundation aid per pupil amount. Each individual district's cost per pupil is at or above the state cost per pupil.

The state cost per pupil, which is the basis for determining the foundation level and state aid, is set each year by adding the calculated supplemental state aid amount to the base³ amount. The supplemental state aid amount is determined by multiplying the growth rate set by the legislature by the current fiscal year's state cost per pupil. To illustrate, an example is provided below:

FY 2015 state cost per pupil (\$6,366) x legislatively approved growth rate for FY 2016 (1.25%) = per pupil supplemental state aid for FY 2016 (\$80); \$6,366 + \$80 = \$6,446 (state cost per pupil for FY 2016).

The resulting growth amount is also applied to each district's current year per pupil cost, which is used for local budgeting.

² For funding purposes, pupils are counted where they reside, not where they attend.

³ The base amount is the state cost per pupil for the current fiscal year.

Not all funds a district receives can be used in any way the district decides. Iowa school districts have restricted funding sources as set in state law. Districts also function within Dillon's Rule, which limits their powers to only those expressly stated, or necessarily implied, by the State Legislature. In other words, if the legislature doesn't state a district has the ability to use funds a certain way, it cannot.

Allowable Growth/Supplemental State Aid

Until the FY 1994 budget, the state percent of growth had been calculated by averaging the rate of change in general fund state revenues over a two-year time period and by averaging the rate of change in the Gross National Product (GNP) implicit price deflator (a measure of price inflation/deflation). If revenue rate changes were below the deflator rate changes, then the revenue change rates were used, otherwise the average of the two averages were used.

Beginning with FY 1994, supplemental state aid has been set through legislative action. During the 1996 legislative session, the General Assembly established that future rates would be set two years in advance. Additionally, under law, the legislature has 30 days after receiving the governor's budget recommendation to set the state percent of growth for the year following the budget year. However, neither of these requirements have been met in recent years.

**Table 1. Regular School Aid Formula Growth Rates⁴ and State Cost per Pupil Amounts:
Most Recent 10 Years**

Fiscal Year	Growth Rate	State Cost Per Pupil
FY 2007	4.0%	\$5,138
FY 2008	4.0%	\$5,333
FY 2009	4.0%	\$5,546
FY 2010	4.0%	\$5,768
FY 2011	2.0%	\$5,883
FY 2012*	0.0%	\$5,883
FY 2013	2.0%	\$6,001
FY 2014	2.0%	\$6,121
FY 2015	4.0%	\$6,366
FY 2016	1.25%	\$6,446

*No growth rate was established for FY 2012, thus it defaulted to 0.0 percent

General Concepts – Revenue

School districts receive revenue from two primary sources--state foundation aid⁵ and property taxes. A uniform property tax levy⁶ rate of \$5.40 per \$1,000 taxable valuation is required of all districts.⁷ The amount raised from the uniform levy is subtracted from the state supported foundation level. The difference is the amount of state aid a district will receive. Each district is guaranteed a minimum of \$300 per pupil state aid. The regular program foundation base per pupil is 87.5 percent of the regular program

⁴ Since FY 2011, the State Legislature has set the categorical supplement rate to equal the regular school aid formula growth rate; however, it could be set at a different rate.

⁵ Refer to Iowa Code § 257.2.

⁶ Levy (dollars collected) = rate x valuation.

⁷ Refer to Iowa Code § 257.3.

state cost per pupil, while the special education foundation base is 87.5 percent of the special education support services state cost per pupil.

The local share of the general foundation plan is based upon property taxes raised from the uniform levy and the property taxes required for the amount of the difference between the total district cost and the foundation level, called the additional tax levy.

Iowa is unique compared to other states in that maximum spending authority is controlled in each district through the foundation plan. The spending maximum includes state aid, property taxes, unspent balances from the prior year, plus actual miscellaneous income. The controlled expenditure has resulted in greater equity in expenditures, but less local discretion. Once spending authority has been granted, it is not removed even if authorized state aid or property tax revenues are not actually received. Thus, when an across-the-board state aid cut is made, such as the one that occurred in FY 2010, districts' spending authority is not reduced. Districts have authority to levy (increase property taxes) for a cash reserve to replace any revenues not received.

Other school district property tax levies in Iowa are also controlled either through a maximum levy rate allowed (e.g., Physical Plant and Equipment Levy), or by defined usage for funds raised (i.e., Management Levy). These controls limit local discretion, but are also intended to help equalize access to funding and the amounts expended across the state's school districts on a per pupil basis.

Entities Involved in Iowa School Finance

Iowa Legislature

The Iowa legislature is responsible for establishing the means through which public schools are financed (i.e., creating the "funding formula") and for determining the state percent of growth rate. The legislature also establishes laws (Iowa Code) and approves rules (Iowa Administrative Code) regarding use of public funds for education.

Iowa Department of Education

The Iowa Department of Education is responsible for providing oversight of school district finances, making payments to districts (except for sales taxes and income surtaxes), and conducting fiscal reviews. The Department also proposes rules, as stipulated by Iowa Code, related to school finance legislation.

Iowa Department of Management

The Iowa Department of Management (DOM) is responsible for calculating state aid and property taxes (through the aid and levy [A&L] worksheet), certifying property taxes, collecting property valuations and payment of income surtaxes.

Iowa Department of Revenue

The Iowa Department of Revenue is responsible for collection of income surtax and collection and payment of state sales taxes.

School Budget Review Committee

A significant feature of the Iowa finance law is the establishment of a state-level School Budget Review Committee⁸. The committee's powers are broad and provide for unique and unusual circumstances which cannot be easily or timely handled through legislation.

A major responsibility of the SBRC is to consider requests for modified supplemental state aid from school districts. The six-member committee⁹ also annually reviews areas such as the special education weighting plan and adjusts the weights as recommended by the director of the Department of Education and as the committee deems necessary. Additionally, if a school district exceeds its authorized budget or carries a negative unspent balance for two or more consecutive years, the committee may recommend that the Department implement a "Phase II" on-site visit to conduct a fiscal review.

The SBRC also has the following responsibilities/authority:

- Authorizing districts to make payments from their unexpended fund balances for certain capital purposes.
- Recommending revision of any rules, regulations, directives, or forms relating to school district budgeting and accounting, confer with local school boards or their representatives and make recommendations relating to any budgeting or accounting matters, and direct the director of the Department of Education or the director of the Department of Management to make studies and investigations of school costs in any school district.
- Reviewing the proposed budget and certified budget of each school district, and may make recommendations.
- Instructing the director of the Department of Management to withhold any state aid to a district that fails to provide information or appear before the committee as requested for the accomplishment of review or hearing, until the committee's inquiries are satisfied completely.
- Recommending that two or more school districts jointly employ and share the services of any school personnel, or acquire and share the use of classrooms, laboratories, equipment, and facilities.
- Annually reviewing the amount of property tax levied by each school district for the cash reserve.
- Granting transportation assistance if a district's average transportation costs per pupil exceed the state average transportation costs per pupil by 150 percent.

⁸ Refer to Iowa Code § 257.30.

⁹ SBRC membership includes five voting members appointed by the governor plus the director of the Iowa Department of Education as a non-voting member.

Funding Components

Regular Program District Cost

Regular program district cost is calculated by multiplying the regular program district cost per pupil for the base year¹⁰ plus regular program supplemental state aid for the budget year¹¹ by the budget enrollments. This establishes the base *spending authority* for each district.

Budget enrollments include the number of resident pupils enrolled and served on the student count date¹² in the base year. Students moving out of a district prior to that date, or entering after that date, generally do not qualify as “enrolled” for budget calculation purposes. There are adjustments for students who are enrolled in a district-sponsored home school assistance program (HSAP), who are considered to be dual-enrolled students, and nonpublic students who are enrolled on a shared-time basis.

Table 2. Regular Program District Cost Without Budget Adjustment (A&L 5.1)

Fiscal Year	Funding
2013	\$2,852,500,203
2014	\$2,926,121,952
2015	\$3,059,835,956
2016	\$3,110,044,986

Regular Program Budget Adjustment

Iowa Code § 257.14 provides an adjustment to the regular program budget if the district’s regular program cost for the current budget year is less than 101 percent of that of the base year without adjustment. Districts in this situation are eligible to receive an amount of spending authority needed to ensure the district receives at least 1.0 percent growth. This results in postponing the fiscal impact of significant reductions in enrollment, providing a year for the district to react to these changes.

The board of directors of a school district that wishes to receive a budget adjustment must adopt a resolution (annually, by May 15) to receive the budget adjustment, and notify the Department of Management of the adoption. The authority granted is funding entirely from property taxes.

Table 3. Regular Program Budget Adjustment (A&L 5.2)

Fiscal Year	Funding
2013	\$16,189,424
2014	\$11,174,352
2015	\$ 3,171,867
2016	\$16,348,198

¹⁰ The school year ending during the calendar year in which the budget is certified is the “base year.”

¹¹ The school year beginning during the calendar year which the budget is certified is the “budget year.” This also coincides with the fiscal year (July 1 – June 30).

¹² The count date is October 1, or the first Monday in October if October 1 falls on a Saturday or Sunday in a given year.

Categorical Supplemental State Aid

Each of the following supplements is calculated by multiplying a cost per pupil factor by the district's budget enrollment. The district's cost per pupil factor grows annually by the Supplemental State Aid determined by the General Assembly through the establishment of the state percent of growth. A budget adjustment, funded by state dollars, is also included. The 100 percent budget adjustment guarantees districts will receive at least the same funding as the previous year, without the previous year's adjustment.

Teacher Salary Supplement

Authority: Iowa Code § 257.10(9)

The teacher salary supplement provides funding to provide additional salary for teachers, including amounts necessary for the district to comply with statutory teacher salary minimums established in Iowa Code § 284.7.¹³

Table 4. Teacher Salary Supplement (A&L 5.5)

Fiscal Year	Funding
2013	\$246,077,000
2014	\$252,061,525
2015	\$263,020,527
2016	\$267,782,051

Professional Development Supplement

Authority: Iowa Code § 257.10(10)

The professional development supplement provides targeted support for professional development provided per the requirements established in Iowa Code § 284.6. These requirements include support that meets the professional development needs of individual teachers and is aligned with the Iowa teaching standards; research-based instructional strategies aligned with the school district's student achievement needs and long-range improvement goals; instructional improvement components including student achievement data, analysis, theory, classroom demonstration and practice, technology integration, observation, reflection, and peer coaching; and an evaluation component that documents the improvement in instructional practice and the effect on student learning.

Table 5. Professional Development Supplement (A&L 5.6)

Fiscal Year	Funding
2013	\$27,879,981
2014	\$28,560,983
2015	\$29,809,229
2016	\$30,343,926

¹³ Iowa Code § 284.7 establishes the minimum salary for a beginning teacher at \$28,000 and for a first-year career teacher at \$34,000. This section also includes a legislative intent that a participating district establish a career II teacher level that is \$5,000 more than the minimum career teacher salary, and an advanced teacher level that is at least \$13,500 greater than the minimum career teacher salary.

Early Intervention Supplement

Authority: Iowa Code § 257.10(11)

The early intervention supplement¹⁴ provides targeted support to kindergarten through grade three. The program's goal is to reduce class sizes in basic skills instruction to the state goal of 17 students for every one teacher; provide direction and resources for early intervention efforts by school districts to achieve a higher level of student success in the basic skills, especially reading skills; and increase communication accountability regarding student performance.

Table 6. Early Intervention Supplement (A&L 5.7)

Fiscal Year	Funding
2013	\$30,304,167
2014	\$31,058,131
2015	\$32,436,162
2016	\$33,020,033

Teacher Leadership Supplement

Authority: Iowa Code § 257.10(12)

A school district or area education agency is eligible to receive monies appropriated for the teacher leadership supplement (TLS)¹⁵ if the school board applies to the Department to participate in the student achievement and teacher quality program. The goals of the program are to attract able and promising new teachers by offering competitive starting salaries and offering short-term and long-term professional development and leadership opportunities; retain effective teachers by providing enhanced career opportunities; promote collaboration by developing and supporting opportunities for teachers in schools and school districts statewide to learn from each other; reward professional growth and effective teaching by providing pathways for career opportunities that come with increased leadership responsibilities and involve increased compensation; and improve student achievement by strengthening instruction.

For fiscal years 2015, 2016, and 2017, the legislature appropriated \$50 million each year for the initial year districts received approval for participation in the program. Following the initial year of participation, payment is made to participating districts through the state aid formula, thus the first year this is included on DOM's A&L worksheet is FY 2016.

Table 7. Teacher Leadership Supplement (A&L 5.8)

Fiscal Year	Funding
2016	\$50,158,157

¹⁴ The early intervention supplement became part of the state aid formula in FY 2011. Prior to that time, funding was provided through the Iowa Early Intervention Block Grant program. See Iowa Code 256D.

¹⁵ The teacher leadership supplement is also referred to as teacher leadership compensation (TLC).

Supplementary Weightings

Iowa Code § 257.11 provides for a supplementary weighting plan. For formula purposes, pupils attending classes in their resident district are assigned a weighting of 1.0. Values greater than 1.0 are available for other enrollment situations and specific programs. The additional weighting generated from these activities is multiplied by the district cost per pupil in order to generate the additional funding.

Table 8. Supplemental Weighting Funding Without Special Education (A&L 3.13 and 5.3)

Fiscal Year	Supplementary Weighting	Funding
2013	10,888.486	\$65,469,616
2014	10,869.914	\$66,833,692
2015	11,822.978	\$75,606,605
2016	12,580.189	\$81,456,124

Sharing

Supplementary weighting is provided for several types of sharing: 1) staff and student sharing, 2) regional academy hosting, 3) district-to-community college (concurrent enrollment), and 4) operational function sharing.

Table 9. Statewide Sharing Supplementary Weighting (A&L 3.9)

Fiscal Year	Supplementary Weighting
2013	5,233.006
2014	4,959.570
2015	5,249.030
2016	5,700.680

Staff and Student Sharing

Authority: Iowa Code § 257.11(2)(b)

The basic supplementary weighting for districts sending resident students to another district to attend a class, jointly employ and share the services of teachers¹⁶, or use the services of a teacher employed by another district is 0.48 times the percentage of the school day students are involved in a sharing situation, times the number of participating students.

Regional Academies

Authority: Iowa Code § 257.11(2)(d)

A supplementary weight is available for districts that host a regional academy. The weight is 0.10 for each resident student in the academy classes times the percent of the school day during which the student attends regional academy classes. The minimum amount of weighting for the host district is the equivalent of 15.0 additional students if the academy provides both advanced-level and career and technical courses.

¹⁶ As allowed under Iowa Code § 280.15.

District-to-Community College (Concurrent Enrollment Programs)

Authority: Iowa Code § 257.11(3)

A supplementary weight is provided for districts which send resident high school students to a community college for college-level classes. For liberal arts and science courses, the weight is 0.46 times the percent of the school day during which the student attends the community college class and the weighting for career and technical courses is 0.70. To qualify for the weighting, a class must supplement, and not supplant high school courses required to be offered by the district, be included in the community college course catalog, be open to all registered community college students (not just high school students), be for college credit and apply toward completion of a degree or diploma program, be taught by an instructor employed or contracted by a community college that meets the college's instructor qualifications, utilize the community college syllabus, and result in student work and assessment that meets college-level expectations.

Operational Function Sharing

Authority: Iowa Code § 257.11(5)

In order to provide additional funding to increase student opportunities and redirect more resources to student programming for school districts that share operational functions with another district or political subdivision¹⁷, a supplementary weighting is provided for a maximum of five years during the period commencing with the budget year beginning July 1, 2014, through the budget year beginning July 1, 2019. Eligible functions include a curriculum director or school counselor, superintendent management, business management, human resources management, transportation management, or operation and maintenance management, each with a discrete weighting. To be eligible, the function's sharing must be for at least 20 percent of the contract time during the fiscal year for the district and at least one sharing partner. A district is limited to a maximum supplementary weighting equivalent to 21.0 additional students.

Table 10. Discrete Weighting by Operational Function

Operational Function	Weighting
Curriculum Director	3.0
School Counselor	3.0
Superintendent Management	8.0
Business Management	5.0
Human Resources Management	5.0
Transportation Management	5.0
Operation and Maintenance Management	5.0

¹⁷ Iowa Code § 257.11(5)(a)(2) defines "political subdivision" as a city, township, county, school corporation, merged area, area education agency, institution governed by the Board of Regents, or any other governmental subdivision.

Studying Reorganization

Authority: Iowa Code § 257.11(2)(c)

A supplementary weighting is available for districts that participate in whole grade sharing and adopt a joint resolution to study reorganizing or dissolving. Districts meeting these criteria are eligible to receive a weight of 0.10 times the percentage of the school day students are involved in a sharing situation, times the number of participating eligible resident students. The maximum number of years that this weight is available to the affected districts is three. To receive funding for the second and third years, districts must verify, to the SBRC, that they have made progress toward the objective of reorganization by July 1, 2019.

Table 11. Statewide Reorganization Incentives Supplementary Weighting (A&L 3.12)

Fiscal Year	Supplementary Weighting
2013	154.40
2014	177.70
2015	248.80
2016	443.60

At-Risk Programs

Authority: Iowa Code § 257.11(4)

Formula-generated supplementary weighting is provided in order to deliver additional funding to school districts for programs serving at-risk pupils and alternative school pupils in secondary schools. The weighting is 0.48 times the percentage of pupils in a school district enrolled in grades one through six who are eligible for free and reduced price meals under the federal National School Lunch Act and the federal Child Nutrition Act of 1966, multiplied by the budget enrollment in the school district, plus 0.156 times the budget enrollment of the school district.

Table 12. Statewide At-Risk Formula Supplementary Weighting (A&L 3.10)

Fiscal Year	Supplementary Weighting
2013	2,304.040
2014	3,391.960
2015	2,363.388
2016	2,358.429

English Language Learner (ELL) Programs

Authority: Iowa Code § 280.4

Students identified by the district as being limited English proficient are assigned an additional weighting of 0.22 for budget purposes and may be weighted for up to five years, beginning with the budget year for which the student was first determined to be limited English proficient¹⁸. The five years of eligibility do not need to be consecutive and a student's eligibility for the additional weighting is transferable to another district of residence.

¹⁸ The SBRC may grant supplemental aid or a modified supplemental amount to a school district to continue funding a program for students after the expiration of the five-year period.

Table 13. Statewide ELL Supplementary Weighting (A&L 3.11)

Fiscal Year	Supplementary Weighting
2013	3,197.04
2014	3,391.96
2015	3,961.76
2016	4,077.48

Special Education Programs

Authority: Iowa Code § 256B.9

Funding for special education instruction is included as part of the basic foundation plan. Students receiving special education are assigned a weight of 0.72, 1.21, or 2.74 in addition to the 1.0 count. These three weights are calculated to generate sufficient funds to cover the excess cost of instruction for students requiring special education. By Iowa Code, the director of the Department must provide a recommendation regarding potential alteration of the weights for the SBRC's review every two years (every odd-numbered year).

If a district has an unspent balance of special education funds, the balance, in excess of 10 percent of the special education weighted funds generated, reverts to the state to be distributed to districts incurring a deficit. Districts incurring a deficit may be granted a modified supplemental amount (MSA) by the SBRC for the amount necessary to cover the deficit. The additional aid will come from property taxes after the state aid from districts having positive balances has been applied.

Table 14. Statewide Special Education Supplemental Weighting by Level (A&L 3.1 through 3.3)

Fiscal Year	0.72	1.21	2.74
2013	25,776.72	18,136.41	20,851.40
2014	24,739.20	18,101.65	20,510.27
2015	24,278.40	17,875.28	20,262.30
2016	24,067.44	17,624.18	19,930.76

Table 15. Statewide Special Education Supplemental Weighting and Funding (A&L 3.4 and 5.4)

Fiscal Year	Supplemental Weighting	Funding
2013	64,764.53	\$390,272,417
2014	63,351.12	\$389,338,826
2015	62,415.98	\$398,884,393
2016	61,622.38	\$398,740,307

In addition to the direct instructional support, special education is also supported through funding provided to Iowa's AEAs. Using the weighted enrollment, each district generates funds for the AEA. The weighted enrollment is multiplied by the AEA instructional support amount per pupil.

Area Education Agencies

AEAs serve as intermediate service units to provide special education support services, media services, and educational services. The AEAs are fiscally dependent upon the school districts. Per Iowa Code § 257.35(1), DOM pays the AEAs monthly (September through June) from funds deducted from the amounts calculated for special education support services, media services, area education agency teacher salary supplement district cost, area education agency professional development supplement district cost, and educational services for each school district from the state aid due to the districts. If a district does not generate sufficient state aid to cover its amount due to the AEA, the school district must pay the deficiency to the AEA from other moneys received by the district, on a quarterly basis during each school year.

Special education support services funding is included in the state aid foundation plan. The effective state support level and the foundation level for special education is 87.5 percent¹⁹. The enrollment count for special education support services includes the special education weights.

Returning Dropout and Dropout Prevention Programs

Authority: Iowa Code §§ 257.38-257.41

Permission to levy property taxes for returning dropout and dropout prevention programs is granted by the SBRC to districts having approved programs. The Department reviews each requesting district's program and budget prior to recommending to the SBRC approval for modified supplemental amount. Up to 75 percent of the program's budget may be funded through the modified supplemental amount, which comes from property taxes, with the remaining 25 percent supported from the general operating funds of the district.

Table 16. Modified Supplemental Amount for Returning Dropout and Dropout Prevention Programs (A&L 5.17*)

Fiscal Year	Number of Districts Approved for MSA	Total MSA Amount Approved
2013	299	\$ 96,692,370
2014	299	\$ 97,212,971
2015	304	\$103,483,729
2016	307	\$106,984,986

*Prior to FY 2016, the modified supplemental amount is found on A&L 5.16.

Preschool Programs

Authority: Iowa Code 256C

Students who are age four by September 15 in the base year and attending a district's program for four-year-old children approved by the Department generate preschool foundation aid. The preschool budget enrollment is equal to 50 percent of the actual enrollment of eligible students participating in the program. Preschool foundation aid is calculated by multiplying the district cost per pupil for the base year times the district's preschool budget enrollment.

¹⁹ See Iowa Code §§ 257.1 and 257.9(4).

Table 17. Preschool Foundation Aid (A&L 7.34)

Fiscal Year	Funding
2013	\$60,413,043
2014	\$66,099,739
2015	\$69,955,725
2016	\$73,129,870

Modified Supplemental Amount (SBRC-Granted)

The basic funding plan for the state includes a budget and tax oversight process which is administered through the SBRC. The SBRC provides a process by which districts can seek relief from unique and unusual circumstances. The committee has the power to grant modified supplemental amount (i.e., additional spending authority). The most frequent requests for modified supplemental amount are for returning dropout and dropout prevention programs, new and/or ongoing unique educational programs, special education deficits, enrollment increases, and asbestos abatement. The SBRC has general authority to review districts' budgets and require school officials to appear before, or provide information to, the committee regarding their requests.

Levies

Cash Reserve Levy

Authority: Iowa Code § 298.10

The board of directors of a school district may annually certify, by April 15, a tax on all taxable property of the school district in order to raise the necessary amount for a cash reserve for the General Fund. The levy does not increase a district's spending authority; the purpose is to assist with cash flow. There is no limit to the levy rate; however, if the district's ending General Fund unexpended fund balance is greater than 20 percent of expenditures for the previous year, the district is not allowed to levy for cash reserve.

District cash reserve levies are reviewed annually by the SBRC. If the SBRC determines that a school district's cash reserve levy is "unreasonably high," it has the authority to direct the director of DOM to reduce the school district's tax levy the following budget year²⁰.

Table 18. Cash Reserve Levy (A&L 15.9 and 15.10)

Fiscal Year	Funding
2013	\$231,935,729
2014	\$190,880,844
2015	\$182,986,988
2016	\$208,313,187

²⁰ See Iowa Code § 257.31(15).

Instructional Support Program

Authority: Iowa Code § 257.18-257.21

A district may increase its budget by up to 10 percent of its regular program cost, including the budget adjustment, through an Instructional Support Program. A board may approve the implementation of this program without voter approval, through adoption of a resolution, for a period of up to five years. Board action is subject to a petition which may call for an election. With voter approval, the maximum number of years the program can remain in place without additional approval is ten years. The money generated is miscellaneous income and may be used by the district for any General Fund purpose.

This program is funded either from property taxes only, or through a mix of property taxes and income surtaxes, as determined by the board. The law provides for state aid to equalize the property taxes required; however, no state funding for this purpose has been provided since FY 2011.

Table 19. Instructional Support Program (A&L 10.27)

Fiscal Year	Funding
2013	\$189,896,936
2014	\$199,998,422
2015	\$211,456,061
2016	\$217,070,832

**Table 20. Instructional Support Program
Income Surtax / Property Tax Split (A&L 10.25 and 10.26)**

Fiscal Year	Income Surtax	Property Tax
2013	\$85,667,381	\$104,229,555
2014	\$85,521,643	\$114,476,664
2015	\$91,988,125	\$119,468,024
2016	\$89,054,210	\$128,016,622

Educational Improvement Program

Authority: Iowa Code § 257.29

One of the provisions of the school finance law implemented in FY 1993 was to decrease the regular program district cost per pupil of the districts that had high per pupil spending levels. Maximum district cost per pupil was established at 110 percent of the state cost in FY 1992; however, due to compaction over time, has gradually reduced to approximately 3 percent of the state cost.

As of FY 2015, less than five districts have an enacted educational improvement program. The program remains in place until 1) the board acts to rescind it, 2) a referendum (public vote) is held to remove it, or 3) the district dissolves or reorganizes with another school district.

This program is funded either from property taxes only, or through a mix of property taxes and income surtaxes, as determined by the board.

Table 21. Educational Improvement Program (A&L 11.3)

Fiscal Year	Funding
2013	\$747,839
2014	\$692,740
2015	\$702,943
2016	\$667,737

**Table 22. Educational Improvement Program
Income Surtax / Property Tax Split (A&L 11.8 and 11.9)**

Fiscal Year	Income Surtax	Property Tax
2013	\$192,605	\$555,234
2014	\$216,080	\$476,660
2015	\$176,869	\$526,074
2016	\$117,719	\$550,018

Physical Plant and Equipment Levy (PPEL)

Authority: Iowa Code §§ 298.2-298.3

The Physical Plant and Equipment Levy (PPEL) was created under the finance formula changes in 1989 as a combination of the previous site and schoolhouse fund levies. PPEL consists of two levies: board-approved and voter-approved. The board-approved PPEL, which is entirely from property tax, is limited to 33 cents per thousand of taxable valuation. The voter-approved PPEL, which can be approved up to 10 years, can be funded entirely from property tax or through a combination of property tax and income surtax, up to a maximum equivalent of \$1.34 per thousand of taxable valuation.

PPEL funds may only be expended for the following purposes: 1) purchase and improvement²¹ of grounds, 2) construction of schoolhouses or buildings and opening roads to the schoolhouses or buildings, 3) purchase, lease, or lease-purchase of equipment or technology exceeding \$500 in value per purchase, 4) payment of debts contracted for the construction of schoolhouses or buildings, 5) procuring or acquisition of library facilities, 6) repairing, remodeling, reconstruction, improving, or expanding the schoolhouse or buildings and additions to existing schoolhouses, 7) energy conservation²², 8) rental of facilities, 9) purchase of transportation equipment for transporting students and the repair of such transportation equipment if the cost of the repair exceeds \$2,500²³, 10) equipment purchases for recreational purposes, 11) payments to municipalities as required under Iowa Code § 403.19(2), and 12) demolition and cleanup costs necessitated by, and incurred within two years of, a disaster²⁴.

Iowa Code specifically states that PPEL funds cannot be used for district employee salaries or travel expenses, supplies, printing costs, or media services.

Districts have authority to borrow against the property tax portion of the voter-approved levy, but cannot borrow against the income surtax portion, nor can they borrow against the board-approved levy²⁵.

²¹ See Iowa Code § 298.3(2) for additional detail regarding improvements.

²² See Iowa Code § 298.3(1)(g) for limitations.

²³ The repair portion is effective July 1, 2015, per HF 646 enacted May 15, 2015.

²⁴ "Disaster" is defined in Iowa Code § 29C.2(4).

²⁵ See Iowa Code § 297.36.

Table 23. Physical Plant and Equipment Levy (DOM, A&L 19.3)

Fiscal Year	Board-Enacted	Voter-Approved
2013	\$45,618,942	\$107,743,848
2014	\$48,167,673	\$113,643,730
2015	\$49,428,480	\$119,425,552
2016	\$50,609,680	\$130,017,188

**Table 24. Voter-Approved Physical Plant and Equipment Levy
Income Surtax / Property Tax Split (A&L 19.8 and 19.9)**

Fiscal Year	Income Surtax	Property Tax
2013	\$ 9,797,254	\$ 97,946,597
2014	\$ 9,961,718	\$103,682,009
2015	\$10,890,267	\$108,535,282
2016	\$10,640,691	\$119,376,497

Management Levy

Authority: Iowa Code § 298.4

The board of directors of a school district may annually certify, by April 15, a tax on all taxable property of the school district for a district management levy. There is no levy rate restriction; however, the purpose is limited. The management levy may only be used to pay costs associated with the following: 1) unemployment benefits, 2) liability insurance premiums, 3) the costs of a judgement or settlement relating to tort liability, 4) a self-insurance program, not including employee benefits, 5) early retirement benefits, and 6) mediation and arbitration, including associated legal fees²⁶.

Table 25. Management Levy (DOM)

Fiscal Year	Funding
2013	\$139,918,313
2014	\$150,729,425
2015	\$147,221,151
2016	\$120,320,696

Public Education and Recreation Levy (PERL)

Authority: Iowa Code Chapter 300

The Public Education and Recreation Levy allows, with voter approval, districts to levy up to 13.5 cents per \$1,000 taxable valuation to establish and maintain recreation places and playgrounds in public school buildings and grounds of the district. The funds may also be used to provide for community education programs, per the *Iowa Community Education Act*²⁷. Once enacted, the levy remains in place until rescinded by the board of directors or by the voters of the district.

PERL funds cannot be used for staff costs, and all programs must be provided free of charge to the public.

²⁶ Mediation and arbitration expenses were added per HF 515, enacted April 17, 2015, and applies to budget years beginning on or after July 1, 2016.

²⁷ See Iowa Code Chapter 276.

Table 26. Public Education and Recreation Levy (DOM)

Fiscal Year	Funding
2013	\$2,204,222
2014	\$2,279,976
2015	\$2,390,310
2016	\$2,400,182

Reorganization Equalization Levy

Authority: Iowa Code § 275.31

In certain situations, a property tax levy may be utilized by a district following a voluntary or involuntary dissolution, or a reorganization. These situations include 1) retirement of bonded indebtedness as required per Iowa Code § 76.2, 2) when assets cannot otherwise be equitably distributed among recipient districts (e.g., districts receiving buildings, cash, and/or other assets of a dissolving district), or 3) when a dissolving district's liabilities exceed its assets in any tax fund, and a mechanism is needed to collect revenue from the dissolved district to balance assets and liabilities in each fund.

One district has requested this levy for FY 2016.

Disaster Recovery Emergency Levy

Authority: Iowa Code § 24.6

A school district may levy a tax for an emergency fund at a rate not to exceed 27 cents per \$1000 of assessed value of taxable property of the district. Upon approval of the SBRC, the district may transfer money from this fund to any other fund of district for the purpose of meeting deficiencies arising within two years of a disaster.

No districts currently have this levy in place.

Debt Service

Authority: Iowa Code §§ 298.18-298.19

A local board may issue general obligation (GO) bonds for buildings and grounds if 60 percent plus one of the electorate approve. The bonded indebtedness is limited to \$2.70 of the assessed value of the taxable property, or up to \$4.05 if the higher limit is approved by the voters, and the maximum length of any bond is 20 years.

Bonds issued by school districts are subject to the provisions of Iowa Code Chapter 75, Authorization and Sale of Public Bonds and Chapter 76, Provisions Related to the Public Bonds and Debt Service.

Table 27. Bonds/Debt Service Retirement (DOM)

Fiscal Year	Funding
2013	\$131,645,855
2014	\$148,155,452
2015	\$162,368,318
2016	\$162,597,190

Secure an Advanced Vision for Education (SAVE)

Authority: Iowa Code §§ 423F.2 – 423F.3

What began in 1998 as a local option sales tax (i.e., School Infrastructure Local Option (SILO) Sales Tax) was converted to a “statewide penny for infrastructure” in July, 2008 through passage of the State Sales and Use Tax for School Infrastructure Act. The majority of the revenue generated from this sales tax is deposited into the SAVE fund, and distributed to districts by the Department of Revenue (DOR). The funds are designated for school infrastructure purposes or property tax relief. If allowed in a district-voted revenue purpose statement, the funds can also be used for PPEL and PERL purposes.

Table 28. Secure an Advanced Vision for Education (DOR)

Fiscal Year	Funding
2013	\$410,929,431
2014	\$429,873,936
2015	\$418,228,165 (est.)
2016	\$435,270,155 (est.)

Legislation also requires 2.1 percent of the funds collected through the sales tax, prior to distribution to school districts, be designated for property tax relief and be deposited in the Property Tax Equity and Relief Fund²⁸, which is discussed in the Property Tax Credits and Relief Efforts section of this document.

Miscellaneous Income

All districts generate miscellaneous income. This includes all revenues and receipts deposited to the General Fund other than state foundation aid, categorical funding that is part of the formula, foundation property tax, or additional property tax generated through the school foundation formula. The primary sources of miscellaneous income are various state and federal categorical aid programs, tuition and transportation payments, allowable school fees, and donations.

²⁸ See Iowa Code § 257.16A.

Additional Finance-Related Issues

Property Valuations (Taxable Values)

Reference: Iowa Code § 441.21

Property values are equalized by the director of the Iowa Department of Revenue every two years by increasing or decreasing the aggregate valuations for certain classes of property. Assessments are adjusted to actual values, except that agriculture values are based on a productivity formula.

Adjustments are based on assessment/sales ratio studies as well as investigations and appraisals made by the DOR. For agriculture realty, productivity and related prices and expenses for a five-year period are used to determine assessed values. If reported valuations are more than 5 percent above or below those determined by the state, the state orders a percentage adjustment on the effected class of property.

Property valuations, as well as changes in those valuations, affect some portions of school districts' budgets, but not others. For example, the controlled budget is not affected since decreases or increases in valuations will result in corresponding changes in the amount of state aid a district receives and will change the tax rate of the additional levy.

Property Tax Credits and Relief Efforts

Tax Credits

Reference: Iowa Department of Revenue – [Property Tax Credits and Exemptions](#)

Property tax credits/exemptions reduce the taxable value, which can, in turn, impact local property tax rates. Examples include Iowa Homestead Credit, Iowa Military Exemption, Iowa Disabled and Senior Citizens Property Tax Credit, Iowa Family Farm Land Credit, and Iowa Agricultural Land Credit.

Tax Relief

The General Assembly has passed legislation intended to provide property tax relief through reductions to the additional levy and corresponding increases to state aid, or in such a manner that requires adjustments to the school foundation aid calculations. In general, due to the finance formula, these have little impact on the overall level of school funding available for district budgets. For example, if the uniform levy rate was reduced from the current \$5.40 per thousand of taxable valuation (reducing property taxes statewide), this would be offset by an increase in the amount of state aid. In some cases, such as voter-approved PPEL, local property taxes can be reduced, but not eliminated, by use of an income surtax. The maximum surtax rate is set by Iowa Code.

Property Tax Adjustment State Aid

The school finance plan implemented in FY 1992 included property tax relief for those districts that would have experienced a property tax increase due to those formula changes. This property tax relief is being gradually phased out as districts' property valuation increases. Each year the property tax adjustment aid is reduced by the same percentage that taxable valuation grows over the period.

Table 29. Property Tax Adjustment State Aid (A&L 8.14)

Fiscal Year	Number of Districts	Total Property Tax Adjustment State Aid
2013	296	\$9,981,977
2014	294	\$9,579,942
2015	288	\$9,330,089
2016	286	\$9,146,074

Property Tax Replacement Payment

Reference: Iowa Code § 257.16B

In FY 2014 through FY 2017, when the regular program district cost per pupil is increased, the additional levy portion (12.5%) of the increase is being replaced by state aid. The amount provided per pupil is the difference between the property tax portion of the state cost per pupil for the current budget year and the FY 2013 budget year (\$750). The difference is then multiplied by the weighted enrollment for each school district.

Table 30. Property Tax Replacement Payment (A&L 8.19)

Fiscal Year	Number of Districts	Total Weighted Enrollment	Calculated Difference in Property Tax Portion of State Cost Per Pupil	Total Property Tax Replacement Payment
2014	346	550,466.034	15.00	\$8,256,992
2015	338	553,159.858	46.00	\$25,445,360
2016	336	554,974.469	56.00	\$31,078,566

Adjusted Additional Property Tax Levy Aid

Reference: Iowa Code §§ 257.15 and 257.16A

Property tax relief is provided to districts that have an adjusted additional levy rate above the statewide average. If funding is insufficient to reduce those rates to the statewide average, the funding is used to provide property tax relief to the school districts with the highest levy rates until the funds are exhausted. After bringing all districts to the statewide average levy rate, any remaining funds are used to increase the state foundation level, thus providing property tax relief to all school districts.

Funding for the Adjusted Additional Property Tax Levy Aid includes \$24 million in state funds plus an amount available annually transferred from the statewide sales tax for school infrastructure to the Property Tax Equity and Relief (PTER) fund. Legislation requires 2.1 percent of the funds collected through the statewide sales tax for SAVE, prior to distribution to school districts, be designated for property tax relief and be deposited in the PTER. This fund is designated to address inequities among

districts due to low assessed property tax valuations (higher tax rates) by providing supplemental property tax relief through the school aid formula²⁹.

Table 31. Adjusted Additional Property Tax Levy Aid (A&L 8.31*)

Fiscal Year	Number of Districts	Total Property Tax Adjustment State Aid
2013	84	\$31,380,842
2014	78	\$32,658,699
2015	68	\$32,247,463
2016	57	\$30,288,396

*For FY 2013, this amount is found on A&L 8.24

Utility Replacement Excise Tax

Reference: Iowa Code Chapter 437A

Since FY 2002, electric companies, natural gas companies, electric cooperatives, and municipal utilities have paid an excise tax based upon energy delivered rather than property tax. This utility replacement excise tax is treated as property tax for purposes of the school foundation aid formula.

An adjustment is made on the A&L worksheet so funding isn't received twice; once through the formula and once through the utility replacement excise tax.

Commercial and Industrial Property Tax State Replacement

Reference: Iowa Code § 441.21A

Beginning in FY 2015, the legislature provided for wide-ranging property tax reform. This included a new rollback on commercial and industrial (C&I) property valuation. A rollback is the percent of property valuation that is subject to tax. The rollback for FY 2015 was 95 percent, while FY 2016 and beyond will be 90 percent.

The C&I state replacement (state reimbursement to local governments for the lost property taxes) is treated as property tax for purposes of the school aid formula. An adjustment is made on the A&L worksheet so funding isn't received twice; once through the formula and once through the state replacement payment.

Tax and Spending Limits

Spending limits are imposed under the basic funding of districts through the calculations used to determine the combined or "controlled" budget. This budget is based upon the district cost per pupil and the total weighted enrollment in that district. Tax limits are imposed on a levy by levy basis, as described previously in this document. There are no state imposed limits on the total property taxes which can be levied for school districts; however, the state imposed maximum cumulative income surtax rate is 20 percent.

²⁹ Refer to pages 5 and 6 of this document.

Federal Funds

The federal government has implemented numerous programs that provide targeted funds to address specific educational needs. Those having the greatest fiscal impact are Special Education³⁰ and Title I³¹. Other areas include support for English Language Learner Education, Migrant Education, and Career and Technical Education instruction, all of which are administered through the United States Department of Education.

Other federal programs having a significant impact on schools are the National School Lunch Program, administered through the United States Department of Agriculture, and the Medicaid program, administered through the United States Department of Health and Human Services.

³⁰ Funds provided through the Individuals with Disabilities Education Act (IDEA).

³¹ Funds provided through Title 1, Part A (Title 1) of the Elementary and Secondary Education Act, as amended.

Glossary

Actual Enrollment

The enrollment determined annually on October 1, or the first Monday in October if October 1 falls on a Saturday or Sunday, pursuant to Iowa Code § 257.6.

AEA Flow Through

An amount determined by the school foundation formula, based on the size of the school district's enrollment, which must be budgeted by the local school district. This amount is withheld from the local district's state aid and is paid directly to the AEA. AEA flow through is for media services, special education support services, educational services, and supplements for teacher salary and professional development.

Aid and Levy Worksheet

A document prepared by the Department of Management to assist districts to calculate their total spending authority, property tax and state foundation aid under the school foundation formula.

Appropriation

An authorization granted by the legislative body to make expenditures and to incur obligations for specific purposes.

Area Education Agency (AEA)

Established by the Sixty-fifth General Assembly to replace county and joint county school systems, effective July 1, 1975. The AEA receives funding through the local school district budget process to provide instructional services, media services and special education support services to local school districts. An AEA is a school corporation.

Assessed Valuation

The value of property determined on an annual basis by the county assessor for purposes of taxation.

Authorized Budget

The maximum amount a district may expend from the General Fund for the budget year. The amount is the sum of the combined district cost plus the unspent balance from the prior budget year plus the actual miscellaneous income received during the budget year plus the instructional support program and educational improvement program. The authorized budget is also called the maximum spending authority.

Base Year

The fiscal year prior to the budget year. This is the school year ending during the calendar year in which a budget is certified.

Basic Enrollment

For a budget year, the basic enrollment equals the actual enrollment in the base year.

Board of Education

The elected body which has been created according to state law and vested with the responsibilities for educational activities in a given geographical area (the legal boundaries of its territory).

Bond

A written promise, generally under seal, to pay a specified sum of money, called the face value, at a fixed time in the future, called the date of maturity, and carrying interest at a fixed rate, and payable as specified. The difference between a note and a bond is that the latter usually runs for a longer period of time and requires greater legal formality.

Budget

A plan of financial operation embodying an estimate of proposed expenditures/expenses for a given period or purpose and the proposed means of financing them.

Budget Adjustment

An adjustment which adds an amount of spending authority to the school district's budget to ensure the school district's regular program district cost is no less than 101 percent of the prior year's regular program district cost without budget adjustment. It is funded by property tax as approved by the district's board. The budget adjustment was previously called the budget guarantee.

Budget Enrollment

The budget enrollment is the certified enrollment count of the base year. The base year enrollment is used for the budget because the enrollment for the budget year has not yet been taken (October) at the time that the budget is certified (April).

Budget Year

The fiscal year immediately following the base year. It is the school year beginning during the calendar year in which a budget is certified. Budgets are certified in April of a calendar year with the school year beginning the following July 1 in the same calendar year.

Cash Reserve

Funds kept by a government that are beyond its immediate needs.

Cash Reserve Levy

A property tax levy which a local school board may implement in order to provide cash to fund its maximum authorized budget and/or to provide cash flow. This levy does not increase the budget authority. This levy is limited by law and may also be reduced by the SBRC.

Cash Reserve Levy Limit

Cash reserve levies in the general fund for the budget year shall not exceed 20 percent of the general fund expenditures for the year previous to the base year minus the unexpended fund balance for the year previous to the base year. For fiscal years that began prior to July 1, 2012, the percent was 25 percent. Unexpended fund balance in this calculation is the sum of the assigned and unassigned fund balances.

Categorical Aid

Financial support from state and federal governments that is targeted for particular categories of students, special programs, or special purposes. This support is in addition to school district or AEA general purpose revenue, is beyond the basic educational program, and most often has restrictions on its use. Where categorical funding requires a local match, that local match also is considered to be categorical funding. Categorical funding includes both grants in aid and budgetary allocations.

Certificate of Need

A written approval requested by a school district that has a certified enrollment of fewer than 250 students in the district or that has a certified enrollment of fewer than 100 students in grades 9 through 12 to expend SAVE for new construction or for payments for bonds issued for new construction against SAVE.

Certified Budget

A document showing the amount of taxes to be levied for each fund and/or program and the aggregate revenues and expenditures/expenses. This report is certified by the local board no later than April 15 each year for the upcoming fiscal year after holding a public hearing and adoption.

Certified Enrollment

The actual enrollment of the school district on October 1 of each school year submitted electronically as part of the student records system to the Department no later than October 15 annually. The enrollment is used for the Iowa School Finance Formula calculations, including supplementary weighting for shared programs, limited English proficient weighting, nonpublic shared time, open enrollment, home school assistance programs, and dual enrollment of students under competent private instruction.

Combined District Cost

Sum of the regular program district cost per pupil multiplied by the weighted enrollment, the special education support services district cost, the total teacher salary supplement district cost, the total professional development supplement district cost, and the total early intervention supplement district cost, plus the sum of the additional district cost allocated to the district to fund media services and educational services provided through the AEA, the AEA total teacher salary supplement district cost and the AEA total professional development supplement district cost. A school district may increase its combined district cost for the budget year to the extent that an excess tax levy is authorized by the SBRC.

Combined District Cost per Pupil

An amount which is the sum of the regular program district cost per pupil for a year and the special education support services district cost per pupil for that year.

Combined State Cost per Pupil

An amount which is the sum of the regular program state cost per pupil for a year and the special education support services state cost per pupil for that year.

Community College

A publicly supported school which may offer programs of adult and continuing education, lifelong learning, community education, and up to two years of liberal arts, pre-professional, or occupational instruction partially fulfilling the requirements for a baccalaureate degree, but confers no more than an associate degree; or which offers as the whole or as part of the curriculum up to two years of vocational or technical education, training, or retraining to persons who are preparing to enter the labor market.

Community Education

A life-long education process concerning itself with every facet that affects the well-being of all citizens within a given community. It extends the role of the school from one of teaching children through an elementary and secondary program to one of providing for citizen participation in identifying the wants, needs, and concerns of the neighborhood community and coordinating all educational, recreational, and cultural opportunities within the community with community education being the catalyst for providing for citizen participation in the development and implementation of programs toward the goal of improving the entire community. Community education energizes people to strive for the achievement of determined goals and stimulates capable persons to assume leadership responsibilities. Community education is not synonymous with community service and does not include such things as preschools or before and after school programs.

Concurrent Enrollment

A course offered by a community college pursuant to a contract with the public school district where a qualifying high school student may enroll in the community college course, and receive both community college credit and high school credit for that course.

Cost or Cost per Pupil

Cost, as used in Iowa, refers to the cost to the state of funding education through the foundation formula. It does not correlate to actual expenditures or expenditures per pupil which would include expenditures from other revenue sources.

Dillon's Rule

Iowa school corporations operate under Dillon's Rule which states that they possess and can exercise the following powers and no others: 1) Those granted in express words, 2) those necessarily implied or necessarily incident to the powers expressly granted, and 3) those absolutely essential to the declared objects and purposes of the school corporation – not simply convenient or desired, but indispensable. Interpretation of school laws may be done by the Iowa Attorney General's Office and the Iowa Department of Education. These Opinions or Rules, once given, have the effect of law on schools.

District Cost per Pupil

The calculation used to establish the combined district cost. Each year the amount is increased by a dollar amount which is the product of the allowable growth times the state cost per pupil. The district cost per pupil is also called the maximum tuition rate.

Educational Improvement Program Levy

A voted levy to provide additional funding for a school district in which the regular program district cost per pupil for a budget year is 110 percent of the regular program state cost per pupil for the budget year, or the district had adopted an enrichment levy of 15 percent prior to July 1, 1992, and which had approved the use of the instructional support program. The Educational Improvement Program Levy may include a property tax and income surtax.

Eligible Elector

A person who possessed all of the qualifications necessary to entitle the person to be registered to vote, whether or not the person is in fact so registered.

Enrolled

A student that has registered with the school district and is taking part in the educational program.

Equipment

An item which meets ALL of the following tests: 1) lasts more than one year, 2) would be repaired rather than replaced, 3) is an independent unit rather than being incorporated into another unit item, 4) the cost of tagging and inventory is a small percent of the item cost, and 5) the cost exceeds a minimum dollar value set by the Department (\$500).

Fiscal Period

Any period at the end of which a school district determines its financial condition and the results of its operations and closes its books. It is usually a year, though not necessarily a calendar year. The fiscal period for Iowa school districts and AEAs is July 1 through the following June 30.

Foundation Formula

A system established in Iowa Code to determine the level of funding school districts shall receive from state aid, property taxes, and certain income surtaxes for the General Fund.

Fund

An independent accounting entity with its own assets, liabilities, and fund balance. Generally, funds are established to account for financing of specific activities of an agency's operations.

General Fund

This fund must be established by all Iowa school districts and AEAs. It is a governmental fund under GAAP and accounts for the revenues and expenditures for the educational program and most school district operations. All moneys received by a school corporation from taxes and other sources must be accounted for in the General Fund, except moneys required by law to be accounted for in another fund.

Generally Accepted Accounting Principles (GAAP)

GAAP is a codified set of currently effective accounting and reporting standards and principles. Governmental GAAP is established by the Governmental Accounting Standards Board (GASB) after a lengthy process of public review. Governmental entities cannot follow GAAP established by the Financial Accounting Standards Board (FASB) unless GASB so states. Iowa school districts and AEAs are required by law to be in compliance with Governmental GAAP for both accounting and budgeting. Uniform Financial Accounting embodies the Governmental GAAP that districts and AEAs shall follow.

Gifted and Talented Program

A program for which categorical funding is included in the school district cost per pupil calculated for each school district under the school foundation formula. The purpose of the gifted and talented program is to provide for identified gifted students' needs beyond those provided by the regular school program pursuant to each gifted student's individualized plan. The funding shall be used only for expenditures that are directly and exclusively related to providing the gifted and talented program.

Home School Assistance Program (HSAP)

A program for a specific category of students provided outside the basic educational program that is provided to regularly enrolled students by the school district. HSAP students are private instruction students rather than public school students. A licensed teacher, employed by the public school district, supervises a parent, guardian, or legal custodian in providing instruction to their children.

Individualized Education Program (IEP)

The written record of an eligible individual's special education and related services needs for children aged 3 years through 21 years with disabilities as defined in Iowa Administrative Code.

Instructional Support Program Levy

An Instructional Support Program Levy may be established by a school district to provide additional funding. The board may adopt a resolution for a period not exceeding five years without a public vote, unless it receives a proper petition to submit the question to a vote. The public may vote for the Program for a period not exceeding ten years. The Instructional Support Program Levy may be fund by all property tax or a combination of property tax and income surtax.

LEA

Local Education Agency

Levy

The total of taxes or special assessments imposed by a governmental unit. Also, the act of imposing taxes or special assessment.

Levy Rate

The dollar amount that is determined by dividing the total tax levy by the value of property to be taxed. This is normally expressed in dollars and cents per \$1000 of taxable valuation.

Local Education Agency (LEA)

An educational agency at the local level which exists primarily to operate schools or to contract for educational services. An LEA is a school corporation.

Maintenance

Maintenance means to cause to remain in a state of good repair or to keep equipment in effective working condition and ready for daily use. Maintenance includes cleaning, upkeep, inspecting for needed maintenance, preserving the existing state or condition, preventing a decline in the existing state or condition, and replacing parts, unless otherwise a repair.

Management Levy Fund

A fund created to deposit and expend money from a levy certified by the board of directors for the purpose of tort liability insurance, unemployment, early retirement incentives, and judgments. The Management Levy Fund is a Special Revenue Fund.

Maximum Authorized Budget

The amount authorized under the school foundation formula that expenditures in the General Fund in a local school district cannot legally exceed. It is the sum of the combined district cost, preschool funding, instructional support program, educational improvement program, miscellaneous income, SBRC approved modified allowable growth, and prior year's unspent balance. It does not include the cash reserve levy.

Maximum Tuition Rate

See District Cost per Pupil.

Miscellaneous Income

All revenues and receipts deposited to the General Fund other than state foundation aid, categorical funding that is part of the formula, foundation property tax, or additional property tax generated through the school foundation formula. It does not include cash reserve levy property taxes.

Modified Supplemental Amount

Additional budget authority granted by the SBRC for specific purposes or unusual or unique circumstances as allowed by Code. Modified Supplemental Amount was previously referenced as Modified Allowable Growth.

Nonresident Student

A student whose legal residence is outside the geographic area served by a specified school district.

Open Enrollment

A procedure allowing a parent/guardian to enroll one or more pupils in an Iowa public school district other than the Iowa district of residence at no tuition cost to the parent/guardian.

Physical Plant and Equipment Levy Fund (PPEL)

A fund created to deposit and expend money from a levy certified annually by a district's board of directors for a maximum of 33 cents and/or a voter-approved levy for a maximum of \$1.34 per \$1000 of assessed valuation (for a maximum total of \$1.67). The voter-approved levy may be all property tax or a combination of property tax and income surtax and may be levied for up to 10 years. The PPEL fund is a capital projects fund limited to expenditures for facilities, grounds, and certain equipment.

Political Subdivision

A political subdivision in the state of Iowa includes a city, a township, a county, a public school district, a community college, an area education agency, or an institution governed by the State Board of Regents (Iowa Braille and Sight Saving School, Iowa School for the Deaf, Iowa State University, The University of Iowa, and University of Northern Iowa).

Public Education and Recreation Levy Fund (PERL)

A fund created to deposit and expend money from a levy authorized by the voters for up to \$0.135 per \$1000 of assessed valuation. The PERL fund is a special revenue fund limited to expenditures for playgrounds and community education. See Community Education.

Regional Academy

An educational institution established by a school district to which multiple other school districts send pupils in grades 7-12 and which includes advanced-level courses. In addition to the advanced-level courses, the curriculum of the academy may include vocational-technical programs, Internet-based courses or Iowa Communications Network (ICN) courses. A regional academy is not a regional high school or career academy. Regional academy courses shall not qualify as concurrent enrollment courses and do not generate any postsecondary credit; however, the district may supplement its regional academy with concurrent enrollment classes.

Reserve

An amount of fund balance set aside for some specified legal purpose. These amounts are included in the non-spendable fund balance.

Resident Pupil

A child who is physically present in a district, whose residence has not been established in another district by operation of law, and who meets any of the following conditions: 1) is in the district for the purpose of making a home and not solely for school purposes, 2) meets the definitional requirements of the term homeless individual under federal law, or 3) lives in a juvenile detention center, foster care facility, or residential facility in the district.

As a practical matter, students with IEPs, students living in juvenile homes, and students living in residential facilities do have their resident district established by operation of law.

Resolution

A proposal used for official decisions of the board of directors that take legal effect when they are passed and are likely to establish policy.

Returning Dropout and Dropout Prevention Program

A program for which a district may apply to the SBRC for modified allowable growth to fund a portion. After subtracting carryover and funding received from other sources for this program, the remaining program cost is funded by 25 percent or more from the district's regular program district cost and 75 percent from property taxes. The purpose of the returning dropout and dropout prevention program is to provide for the needs of identified students at risk of dropping out of school beyond the instructional program and services provided by the regular school program. The funding shall be used only for expenditures that are directly and exclusively related to providing the returning dropout and dropout prevention program.

Revenue Purpose Statement

A document voted by the taxpayers of the school district indicating the specific purposes for which the SAVE revenue will be expended.

School Age

A person at least five and less than twenty-one years of age on September 15.

School Board

A board of school directors regularly elected by the qualified voters of a school corporation.

School Budget Review Committee (SBRC)

A committee established by Iowa Code chapter 257 and appointed by the Iowa governor that includes the director of the Department of Education as the chair and non-voting member, the director of the Department of Management as the secretary, and four public members. This committee reviews school district budgets and hears requests from school districts for modified allowable budget growth, and has authority over anything impacting school district accounting and budgeting. The SBRC is a separate agency from the Department of Education and Department of Management.

School District

See Local Education Agency

School Foundation Formula

A statutory plan to fund public education in Iowa.

State Categorical Supplements

Teacher salary supplement, professional development supplement, and early intervention supplement. These categorical budgetary allocations are funded on a per pupil basis with an allowable growth rate established annually.

State Cost per Pupil

The number is used to establish the combined state district cost and to establish the district cost per pupil. Each year a dollar amount is determined, which is the product of the allowable growth rate set by the legislature times the state cost per pupil. This dollar amount is added to the cost per pupil of the prior year. District costs per pupil in each Iowa school district are between 100 percent and 105 percent of the state cost per pupil.

State Foundation Aid

Funding paid by the state to school districts to provide equitable funding on a per pupil basis in the General Fund under the school foundation formula.

Supplemental Aid

A payment calculated under Iowa Code 257.31(14) that a school district may request from the SBRC if that district ended the fiscal year with a special education deficit balance.

Supplemental State Aid

The annual dollar amount by which state cost per pupil and district cost per pupil will increase from one budget year to the next. The dollar amount is the product of the growth rate set by the legislature times the state cost per pupil from the prior budget year. Supplemental state aid was previously referenced as allowable growth.

Supplementary Weighting

Additional funds for districts which send resident pupils to another school district or community college for classes, jointly employ and share the services of teachers, or use the services of a teacher employed by another school district. Also available for a district that establishes and hosts a regional academy of advanced-level curriculum to which multiple other districts send students.

Surtax

A tax applied to individual income taxes to generate additional funds for local school districts.

Technology

Technology includes such things as hardware, non-instructional software and software required to provide functionality to the hardware, wireless presenters, networking and connectivity systems, computing storage, website development services, hardware carrying equipment, licensing, and technical assistance for installation of hardware, software, or software updates.

Tuition

An amount of money charged by a school district or educational institution for instruction for a set period of time.

Uniform Levy

A property tax levy in the amount of \$5.40 per \$1000 of assessed valuation that is required by the school finance formula to be levied in every school district each fiscal year. It is sometimes referred to as the foundation levy.

Weighted Enrollment

The budget enrollment (base year actual enrollment) plus additional enrollment because of special education calculated by November 1 of the base year plus additional enrollment added due to the application of the supplementary weighting (e.g., shared classes, shared teachers, LEP weighting, and operational function sharing, and at-risk weighting).

Whole Grade Sharing

A procedure used by school districts whereby all or a substantial portion of the pupils in any grade in two or more school districts share an educational program for all or a substantial portion of a school day under a written agreement. Whole grade sharing may be one-way or two-way sharing. Agreements to discontinue grades and tuition students to other contiguous school district are whole grade sharing agreements, even if the proper procedures were not followed.

Appendix A: Budget Summary, Fiscal Years 2015 and 2016

Budget Item	FY 2015 Funds	Percent	FY 2016 Funds	Percent
Regular Program	3,059,835,956	54.27%	3,110,044,986	52.57%
Guarantee	3,171,867	0.06%	16,348,198	0.28%
Supplementary Weights	75,606,605	1.34%	81,456,124	1.38%
Special Education	398,884,393	7.07%	398,740,307	6.74%
Teacher Salary	263,020,527	4.66%	267,782,051	4.53%
Professional Development	29,809,229	0.53%	30,343,926	0.51%
Early Intervention	32,436,162	0.58%	33,020,033	0.56%
Teacher Leadership	NA		50,158,157	0.85%
AEA Media	26,684,725	0.47%	27,158,939	0.46%
AEA Education Services	29,494,394	0.52%	30,018,537	0.51%
AEA Special Education	153,068,854	2.71%	155,413,249	2.63%
AEA Sharing	60,002	0.00%	60,002	0.00%
AEA Teacher Salary	14,794,199	0.26%	15,043,905	0.25%
AEA Professional Development	1,730,480	0.03%	1,759,386	0.03%
AEA Prorata Reduction	-22,500,000	-0.40%	-22,500,000	-0.38%
Dropout SBRC	103,483,729	1.84%	106,984,986	1.81%
Other SBRC on A&L	0	0.00%	0	0.00%
Preschool	69,955,725	1.24%	73,282,654	1.24%
Instructional Support	211,456,061	3.75%	217,070,832	3.67%
Educational Improvement	702,943	0.01%	667,737	0.01%
Enrollment Audit Adjustment	-209,905	0.00%	214,554	0.00%
Value Change Repayment Adjustment	694,387	0.01%	836,862	0.01%
State Formula Total	\$4,452,180,333	78.96%	4,593,905,425	77.65%
Miscellaneous				
State	106,398,371	1.89%	108,998,371	1.84%
Federal	*234,274,792	4.16%	**341,554,069	5.77%
Other Miscellaneous	*364,656,883	6.47%	**405,438,062	6.85%
	<i>*FY 2013 Actual</i>		<i>**FY 2014 Actual</i>	
General Fund Total	\$5,157,510,379	91.47%	\$5,449,895,927	92.12%
PPEL (Property Tax & Income Surtax)	168,854,032	2.99%	180,626,870	3.05%
Management	147,221,151	2.61%	120,320,752	2.03%
Playground and Library (PERL)	2,415,459	0.04%	2,433,581	0.04%
Debt Service	162,368,318	2.88%	162,597,162	2.75%
Total All Funds	\$5,638,369,339	100.00%	\$5,915,874,292	100.00%

Source: Iowa Department of Management, Budget Files

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